

AMENDED IN SENATE JUNE 14, 2000

**SENATE BILL**

**No. 1638**

**Introduced by Senator Burton**

February 22, 2000

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~~An act to add Section 21382 to the Government Code, An act relating to public employees' retirement.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 1638, as amended, Burton. Public employees' retirement: minimum benefits.

Under existing law, specified retired members of the Public Employees' Retirement System whose retirement allowances would be less than \$1,200 per year are entitled to have their allowances increased to that amount.

This bill would ~~establish~~ *declare the Legislature's intent that a* minimum annual allowance ~~amounts payable shall be paid~~ to certain retired state members and their survivors and beneficiaries, as specified, ~~which amounts would vary according to the member's years of credited state service, as specified, and would be decreased by unspecified percentages upon the death of the retired member when certain optional settlements or death benefits are payable.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~yes~~ *no*. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. ~~Section 21382 is added to the~~  
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SECTION 1. It is the intent of the Legislature that a minimum annual allowance shall be paid to state members of the Public Employees' Retirement System who retired prior to July 1, 2001, with 20 or more years of credited service, or to their beneficiaries receiving an optional settlement pursuant to Section 21456, 21457, 21458, or 21465 of the Government Code.

~~Government Code, to read:~~

21382. (a) Notwithstanding any provision of this part, including, but not limited to, Section 21381, the annual allowance payable to state members who retired prior to July 1, 2001, with 20 or more years of credited state service, or to their beneficiaries receiving an optional settlement pursuant to Section 21456, 21457, 21458, or 21465, shall not be less than the amount identified in the following schedule for the number of years of the member's credited state service at the time of the member's retirement or death:

20 years of credited service .....	\$15,000
21 years of credited service .....	\$15,500
22 years of credited service .....	\$16,000
23 years of credited service .....	\$16,500
24 years of credited service .....	\$17,000
25 years of credited service .....	\$17,500
26 years of credited service .....	\$18,000
27 years of credited service .....	\$18,500
28 years of credited service .....	\$19,000
29 years of credited service .....	\$19,500
30 years or more of credited service .....	\$20,000

(b) Notwithstanding subdivision (a), the amount identified in the schedule in subdivision (a) shall be realized by an increase to the basic retirement allowance resulting from credited state service. The increase shall be reduced by any allowance based on service credit with a contracting agency or school employer; however, that reduction shall not cause the retirement allowance based on state service credit to be less than the amount the

allowance would have been without the benefit provided by this section.

(e) Notwithstanding subdivision (a), the amount identified in the schedule in subdivision (a) shall be reduced:

(1) By \_\_\_\_\_ percent upon the death of the retired member when optional settlement 2, pursuant to Section 21456, or a death benefit, pursuant to Section 21548, is payable.

(2) By \_\_\_\_\_ percent upon the death of the retired member when optional settlement 3, pursuant to Section 21457, is payable.

(3) By up to \_\_\_\_\_ percent upon the death of the retired member when optional settlement 5, pursuant to Section 21465, is payable.

(d) The increase in the basic retirement allowance provided by this section shall be subject to Sections 21624, 21627, and 21629.

(e) A retired member, optional settlement beneficiary, or surviving spouse subject to this section shall receive the annual minimum allowance pursuant to this section unless the system receives in writing, on a form prescribed by the system, notification from the member, optional settlement beneficiary, or surviving spouse before May 1, 2001, of his or her election not to receive the increase provided under this section.

(f) No benefit is payable under this section to any retired member, beneficiary, or survivor whose allowance is based on the alternative level of benefits provided under Article 2 (commencing with Section 21070) of Chapter 12 of this part.

(g) Notwithstanding Section 21313, increases in allowances pursuant to this section shall be paid for time on and after January 1, 2001, and until the first day of April. The base allowance shall be the allowance as increased under this section. The base year for annual adjustments of allowances increased by this section shall be the calendar year preceding the year of increase if the increase date is after the first day of April of any year, and the second calendar year preceding the year of the

- 1 ~~increase if the increase date is on or before the first day~~
- 2 ~~of April of any year.~~

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